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# RURAL AREAS DEVELOPMENT



**R**evitalizing



**a**merica



to **d**ay

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U.S. DEPARTMENT OF AGRICULTURE

making full  
use of our  
resources for  
all citizens

## RURAL AREAS DEVELOPMENT

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*We must show the  
world what a  
free economy can do  
...to put unused  
capacity to work,  
spur new  
productivity and  
foster higher  
economic growth.  
President Kennedy.*

. TO SOME PEOPLE, rural America means a healthy, happy life of working in the open air with living things on the land—a “way of life” that grows dearer to city people as more and more years separate them from the long hours and hard work of the farms where they, their parents, or their grandparents grew up.

To others, rural America means the “farm problem”—too much production of wheat, feed grains, and some other commodities; too little income; and high Government costs.

Neither nostalgia nor a statement of the farm problem correctly portrays rural America today.



## Rural America Today

Fifty-four million people (nearly a third of our population) live in the Nation's open country and villages. They include:

- 15.6 million *farm people*. Among them are the world's most efficient farm families who operate the 1.5 million farms (40 percent of all farms) that produce 87 percent of the Nation's farm commodities. Among them also are the people who work the other 2.2 million farms that produce only 13 percent of our crops and livestock—people who lack the land, credit, skills, or other resources needed for efficient farms.

- 38.4 million *nonfarm people*. Many of them depend on businesses or services directly related to farming. Some (along with many part-time farmers) have urban jobs. Some are unemployed or work only part time. Some are retired.

Probably another 20 million people live in the small cities that are an integral part of rural America. (The census counts villages and towns of less than 2,500 population as rural; towns of 2,500 or more as urban.)

Rural America thus becomes a cross-section of the United States, but in many respects it is a cross-section lacking opportunities many Americans take for granted.

Although less than a third of our people live in rural areas, more than half of the Nation's poverty is found there.

Of the country's 8 million families with average yearly incomes of less than \$2,500, more than 4 million live in rural areas.

Thirteen of every 100 nonfarm families in rural America have total money incomes of less than \$2,000 a year. Thirty-six of every 100 farm families have less than \$2,000 a year cash.

Most of agriculture's modern technology has bypassed many of these areas. The people haven't had the means to take advantage of improved methods, mechanization, and other advances in technology.

About 800 counties are in the serious "low income rural areas." About 31 million people live in the open country and small towns of those counties. For two decades or more, people have been leaving these areas. Community and private facilities have run down or even been abandoned. Some broad rural areas—both farm and nonfarm—have almost "gone out of business."

Of the 22 million rural youth (under 20 years of age), more than 4 million are in the families with low incomes. And more than 1 million children are born each year in rural America.

Even the farmers who operate efficient family farms have lagged behind the rest of the country in income. Caught in the middle of the cost-price squeeze, many of them have survived because they lived in part from capital investment. Efficiency, capital, labor, and management skills just haven't paid off as well in agriculture as they have in the nonfarm economy.





## RAD—A New Concept of Rural Aid

The rural areas development effort is a new concept and a new approach for helping rural people to better their lot. It is the Department of Agriculture's way of aiding people who are working to help themselves.

The ultimate objective is better living for rural people, both farm and nonfarm. The rural areas development effort, by the Department, provides services to enable local action groups to bring new opportunities to the people of the open country and to their trading centers. Its goals are:

- Prosperous, family farms.
- New jobs in trades, services, and industry.
- Improved management, use and conservation of natural resources.
- Expanded public services and facilities such as roads, hospitals, schools, power supply, and water systems.
- Guidance and training of rural youth and adults
- In some areas, a complete rural renewal program, similar to urban renewal programs now bringing new life, new hope, and new opportunities to parts of some cities.

Many other Federal departments and agencies are helping; so are many State and local agencies.



# Services of USDA Are Mobilized for RAD

Department of Agriculture resources are committed to the nationwide rural areas development effort, to support State and area organizations in their programs to solve rural problems on an areawide basis.

*Nationally.*—The Department's Office of Rural Areas Development coordinates all USDA agency activities to advance the new RAD program. Technical help, research, credit, long-range planning for soil and water use, conservation cost-sharing, education, and other services of the Department are available for the nationwide RAD effort.

The Department's Rural Areas Development Board brings together representatives of 12 agencies\* to assure a meshing of Department services. A National Advisory Committee on RAD works closely with the Department. This committee includes representatives of every rural interest in the Nation. The Department also enlists the help of the Departments of Commerce, Labor, and Health, Education, and Welfare; of the Small Business Administration, Housing and Home Finance Administration, the Farm Credit Administration, and others.

The Department works with national organizations—farm, labor, education, business, church, finance and credit, and other similar groups.

*In States and Areas.*—In the field, Department of Agriculture specialists are organized into technical panels, chaired by State and local representatives of Farmers Home Administration. Here the services of the Department are packaged for an area-by-area, community-by-community approach to the specific

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\* USDA agencies represented on the Rural Areas Development Board are: Agricultural Marketing Service, Agricultural Research Service, Agricultural Stabilization and Conservation Service, Cooperative State Experiment Station Service, Economic Research Service, Farmer Cooperative Service, Farmers Home Administration, Federal Extension Service, Forest Service, Rural Electrification Administration, Soil Conservation Service, and Statistical Reporting Service. The Farm Credit Administration is represented on the Board as an associate member.



problems of the people and the use of their own resources. Members of the technical panels work with local voluntary groups. They help them plan projects. They help to find outside capital. They act, as requested, as coordinators between local people, who seek aid, and the Government agencies that may have the facilities to help.

## ARA—A Major RAD Tool



The Area Redevelopment Administration of the U.S. Department of Commerce provides important tools for rural areas development.

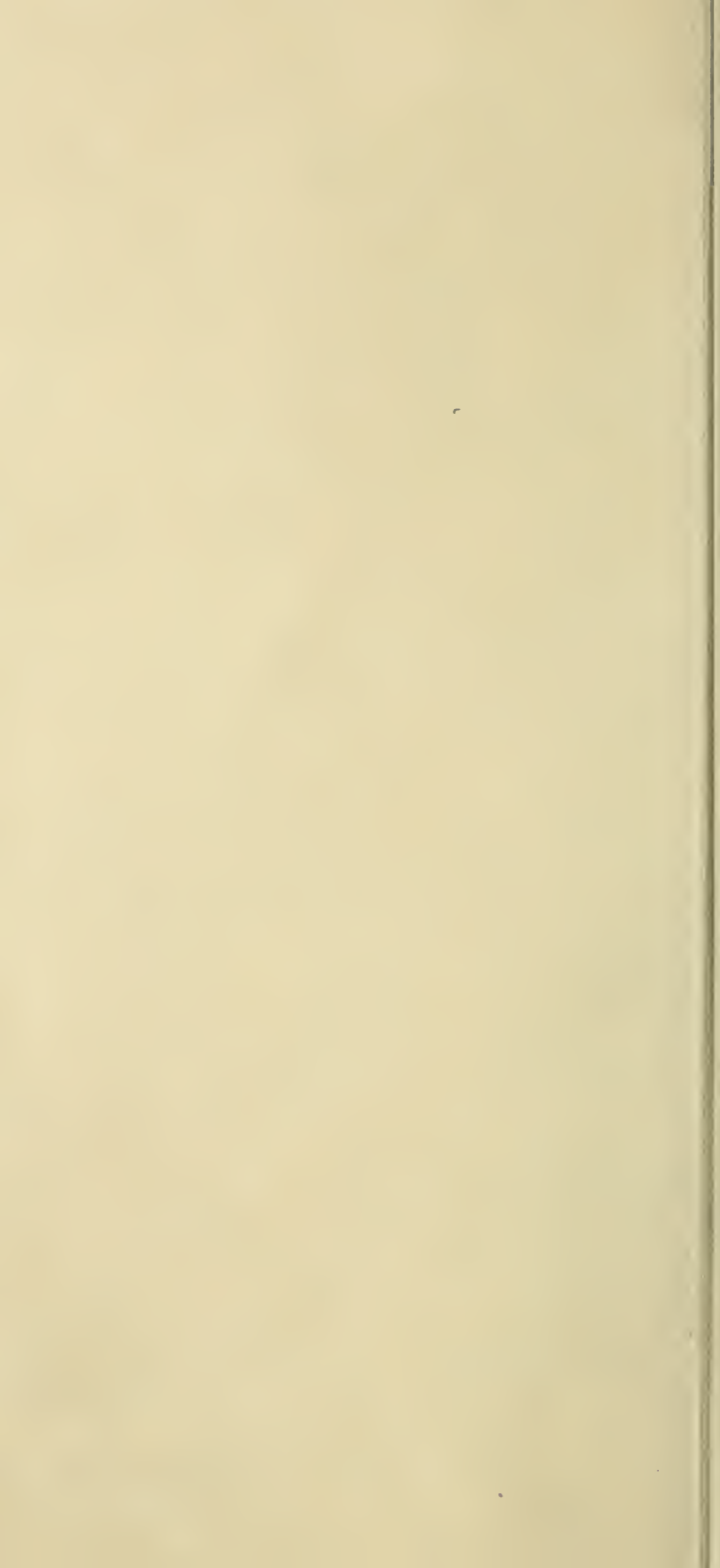
Over 700 rural counties have been designated as eligible for ARA help, for which USDA has major responsibilities in the designated rural areas.

Among USDA's assignments under the Area Redevelopment Act are: Selection of rural areas to receive assistance; the review of rural area plans for development; and, most important, helping local leaders put together plans and projects that will make full use of the new credit and technical assistance programs provided by ARA.

ARA services include industrial and commercial loans in designated rural areas, as well as loans and grants for such community facilities as water and sewer systems, clinics, and tourist projects. ARA also provides funds for training for new jobs—as factory workers, as electricians, as tractor drivers, as tractor maintenance workers, and for other jobs.

Mountain City, Tenn., is an example of the meshing of ARA and RAD. The Johnson County area, in which Mountain City is located, is an ARA-designated locality.

USDA personnel reviewed the area's overall economic development program and approved its recommendation for sewer and water facilities. ARA approved a \$106,300 loan for these public facilities, which indirectly will result in 300 new permanent jobs in the area.



# Heart of RAD and ARA— Local People

The heart of any area's development rests with local people. They review their resources, their needs, and their objectives. They start the action of economic development by organizing themselves into area-wide development committees. State extension service workers help them to organize.

These areawide committees include voluntary representatives of the entire community—businessmen, farm leaders, labor leaders, doctors, clergy, attorneys, civic club leaders, youth leaders, press, radio, and television staff members, representatives of rural credit unions, and many other persons directly concerned with local area development.

These area development committees contribute time and know-how to making rural areas development and ARA work for them. They compile useful facts about their own area. Thus, they are able to evaluate their needs and opportunities in terms of:

- Human resources, including the number of inhabitants and workers, the employment in manufacturing and in wholesale and retail trades, public and professional services, employment in farming, underemployment, education, and skills.
- Physical resources, such as land, water, timber, grassland, minerals, buildings, roads, transportation, credit, power, and community services including water supply and sewer systems.

From their own studies, the committees are able with the help of USDA technical panels to put together an overall economic development program plan for their area. This is the first step in area development—

knowing the local situation, listing assets and liabilities, and then determining what needs to be done. With such a plan, the local committee is prepared to make specific requests for outside help.



## RAD Gets Results

In Choctaw County, Okla., population had dropped nearly 8,000 in a 10-year period. Local people decided to bring more jobs to the county. They raised \$50,000 for a cannery, which provided a new market for vegetable crops. They next raised \$90,000 to bring in a glove factory. Four other plants later went to the area. Four hundred new jobs were created.

Carroll County, Va., people got a 1,000-job textile mill in their area. Banks lent from \$500 to \$5,000 to individuals who in turn lent the money to a development corporation.

People in Douglass County, Mo., raised \$300,000 for a new sporting goods factory that provided 300 new jobs. Recently a loan was approved by ARA for a project that will provide 100 more jobs.

The area around Missoula, Mont., has new plywood plants, a charcoal briquette plant, and three large sawmills to help use its timber resources. The new plants employ more than 1,000 men.



# RAD Pyramids Benefits

Rural areas development projects have a way of pyramiding benefits.

The Department of Agriculture helped the farm and townspeople of Mountain Run Watershed, Culpeper, Va., to plan and carry out a small watershed project. This project served as a catalyst to set off a chain reaction that will benefit not only the people within the watershed, but also those far beyond it.

Main purpose of the project was to protect the people of Mountain Run Watershed, including those living in Culpeper, from floods. But water supply for Culpeper was developed along with flood prevention.

Three new industries—a steel fabricating plant, a woman's sportswear factory, and a laundry—have gone to the community because of the dependable water supply and the protection from floods. New homes, new shopping centers, and a new hospital have also been built.

Roads have been protected and beautified by road-bank erosion control work.

Three new lakes provide recreational space for boating and fishing. And there also is a 4-acre picnic area, the first park in the community.

Similar pyramiding benefits also come from the Department's loans for rural electrification, rural telephones, and rural housing.

## Rural Renewal—A Special RAD Program for Most Needy Rural Areas

President Kennedy, in his farm message to Congress in January 1962, said: "In some rural areas the general level of economic activity and family income is so low, and the lack of community facilities so acute, that a complete new development operation is the only sensible solution—a program of rural renewal."

This is the type of project, similar to urban renewal, needed to supplement rural areas development and ARA in the areas plagued most severely with low income, inadequate resources, loss of population, and declining public services. A complete rural renewal project (involving loans, grants, and technical assistance) could help the people of these areas to enlarge family farms; to improve soil, water, and related resources; to find new and paying uses for land and water, including hunting, fishing, and other outdoor public recreation; to bring in industries; and to develop community services, such as clinics, water systems, and community centers.

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### For More Information on RAD

Additional information about the rural areas development effort can be obtained from your county extension agent, from any county office of the Farmers Home Administration, the Soil Conservation Service, or the Agricultural Stabilization and Conservation Service County Committee, or by writing the Office of Information, U.S. Department of Agriculture, Washington 25, D.C. In ARA-designated areas, write also to the Area Redevelopment Administration, U.S. Department of Commerce, Washington 25, D.C.

Issued March 1962.

